



AGENDA

BOARD OF DIRECTORS

Cheryl Cox, Chair

Steve Castaneda

Paul Desrochers

Chris Lewis

John McCann

Doug Paul

Rudy Ramirez

Jerry Rindone

Christopher Rooney

OFFICERS

Jim Thomson, Interim CEO

Maria Rachadoorian, CFO

Ann Moore, General Counsel

Ann Hix, Secretary

REGULAR MEETING OF THE CHULA VISTA REDEVELOPMENT CORPORATION (CVRC) AND REDEVELOPMENT AGENCY AND ADJOURNED REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA

Thursday, March 22, 2007, 6:00 p.m.

COUNCIL CHAMBERS
276 FOURTH AVENUE
CHULA VISTA, CA 91910

CALL TO ORDER

CVRC ROLL CALL

Directors Castaneda, Desrochers, Lewis, McCann, Paul, Ramirez, Rindone, Rooney and Chair Cox

CITY COUNCIL/REDEVELOPMENT AGENCY ROLL CALL

Council/Agency Members Castaneda, McCann, Ramirez, Rindone, and Chair Cox

PLEDGE OF ALLEGIANCE, MOMENT OF SILENCE

1. APPROVAL OF MINUTES

Staff Recommendation:

- a. That the **CVRC and Redevelopment Agency** approve the minutes of March 8, 2007.

PUBLIC COMMENTS

Persons speaking during Public Comments may address the CVRC and/or RDA on any subject matter within the CVRC and/or RDA's jurisdiction that is not listed as an item on the agenda. State law generally prohibits the CVRC and/or RDA from taking action on any issue not included on the agenda, but, if appropriate, the CVRC and/or RDA may schedule the topic for future discussion or refer the matter to staff. Comments are limited to three minutes.

ACTION ITEMS

2. COUNCIL SUBCOMMITTEE REPORT: CHULA VISTA REDEVELOPMENT CORPORATION

On December 19, 2006, the City Council formed a subcommittee, consisting of Mayor Cox and Councilmember Rindone, to revisit and evaluate the structure of the CVRC.

The Subcommittee will present a full report with recommendations to the CVRC, RDA, and City Council.

Subcommittee Recommendations:

That the CVRC adopt the following resolution:

2a. RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION RECOMMENDING THAT THE REDEVELOPMENT AGENCY AND CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVE THE REPORT AND RECOMMENDATIONS OF THE COUNCIL SUBCOMMITTEE ON CVRC STRUCTURE AND OPERATIONS AND DIRECT STAFF TO PREPARE THE NECESSARY AMENDMENTS TO THE CVRC'S LEGAL AND OPERATING DOCUMENTS

That the City Council and Redevelopment Agency adopt the following resolution:

2b. JOINT RESOLUTION OF THE CITY COUNCIL AND THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA APPROVING THE REPORT AND RECOMMENDATIONS OF THE COUNCIL SUBCOMMITTEE ON CVRC STRUCTURE AND OPERATIONS AND DIRECTING STAFF TO PREPARE THE NECESSARY AMENDMENTS TO THE CVRC'S LEGAL AND OPERATING DOCUMENTS

3. CHIEF EXECUTIVE OFFICER'S REPORTS

4. CHAIRMAN'S REPORTS

5. DIRECTORS' COMMENTS

ADJOURNMENT

The **Chula Vista Redevelopment Corporation and Redevelopment Agency** will adjourn to the regularly scheduled meeting on April 12, 2007, at 6:00 p.m.

The **City Council** will adjourn to an adjourned regular meeting on March 26, 2007 at 4:00 p.m. in the Council Chambers.

In compliance with the AMERICANS WITH DISABILITIES ACT

The Chula Vista Redevelopment Corporation requests individuals who require special accommodations to access, attend, and/or participate in a CVRC meeting, activity, or service request such accommodation at least forty-eight hours in advance for meetings and five days for scheduled services and activities. Please contact the Community Development Department for specific information at (619) 691-5047, or Telecommunications Devices for the Deaf (TDD) at (619) 585-5655. California Relay Service is also available for the hearing impaired.

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MINUTES OF A REGULAR MEETINGS OF THE CHULA VISTA REDEVELOPMENT CORPORATION (CVRC) AND REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA

March 8, 2007

6:00 P.M.

Regular Meetings of the Chula Vista Redevelopment Corporation and Redevelopment Agency of the City of Chula Vista were called to order at 6:01 p.m. in the Council Chambers, located in City Hall, 276 Fourth Avenue, Chula Vista, California.

CVRC ROLL CALL

PRESENT: Directors: Castaneda, Desrochers, Lewis, McCann, Paul, Ramirez, Rooney, Rindone, and Chair Cox

ABSENT: Directors: None

REDEVELOPMENT AGENCY ROLL CALL

PRESENT: Directors: Castaneda, Desrochers, Lewis, McCann, Paul, Ramirez, Rooney, Rindone, and Chair Cox

ABSENT: Agency Members: None

ALSO PRESENT: Interim Executive Director/City Manager Thomson, General Counsel/City Attorney Moore, Deputy City Attorney Cusato, Chief Financial Officer/Finance Director Kachadoorian, Assistant Finance Director Davis, Acting Community Development Director/Secretary Hix, Economic Development Manager Stone, Redevelopment Project Manager Crockett, Senior Deputy City Clerk Peoples

PLEDGE OF ALLEGIANCE, MOMENT OF SILENCE

1. APPROVAL OF MINUTES

Chair Cox stated that she and Director Ramirez would be recusing themselves from the minutes of August 10, 2006, August 26, 2006 and November 16, 2006, as they were not on the Redevelopment Agency at the time. Director Paul requested a correction to the minutes of November 16, 2006 as they reflected him as being both present and absent. Vice Chair Rindone suggested that all members vote and any meetings they were absent from be recorded as an abstention.

Staff recommendation:

- a. That the **Redevelopment Agency** approve the minutes of August 10, 2006, August 26, 2006, November 16, 2006, January 9, 2007, and January 11, 2007, and February 13, 2007.
- b. That the **CVRC and Redevelopment Agency** approve the minutes of January 25, 2007 and February 8, 2007.

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APPROVAL OF MINUTES (continued)

ACTION: Vice Chair Rindone moved approval of the minutes of August 10, 2006, August 26, 2006, November 16, 2006, January 9, 2007, and January 11, 2007, January 25, 2007, February 8, 2007 and February 13, 2007. Director/Agency Member McCann seconded the motion. The minutes of August 10, 2006 carried 5-0 with Director Lewis and Director/Agency Member McCann abstaining as they were absent from the meeting, and Director/Agency Member Ramirez and Chair Cox abstaining as they were not part of the CVRC/Redevelopment Agency at the time of the meeting; the minutes of August 26, 2006 carried 7-0 with Director/Agency Member Ramirez and Chair Cox abstaining as they were not part of the CVRC/Redevelopment Agency at the time of the meeting; the minutes of November 16, 2006 carried 6-0 with Director Paul abstaining as he was absent from the meeting, and Director/Agency Member Ramirez and Chair Cox abstaining as they were not part of the CVRC/Redevelopment Agency at the time of the meeting; the minutes of January 9, 2007 carried 5-0; the minutes of January 11, 2007 carried 6-0 with Director Rooney, Director/Agency Member Ramirez and Vice-Chair Rindone abstaining as they were absent from the meeting; the minutes of January 25, 2007 carried 7-0 with Director Rooney and Director/Agency member Castaneda abstaining as they were absent from the meeting; the minutes of February 8, 2007 carried 7-0 with Directors Lewis and McCann abstaining as they were absent from the meeting, and the minutes of February 13, 2007 carried 4-1 with Agency Member McCann abstaining as he was absent from the meeting.

2. WRITTEN COMMUNICATIONS

- a. Memorandum from Jerry Rindone requesting an excused absence from the Redevelopment Agency meeting of January 11, 2007.

Staff recommendation: That the Redevelopment Agency excuse the absence.

- b. Memorandum from John McCann requesting an excused absence from the CVRC meeting of February 8, 2007.

Staff recommendation: That the CVRC excuse the absence.

ACTION: Director McCann moved approval of the requests for excused absence. Director Desrochers seconded the motion. Item 2a carried 8-0 with Vice Chair Rindone abstaining. Item 2b carried 8-0 with Director McCann abstaining.

PUBLIC COMMENTS

There were none.

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ACTION ITEMS

Director Castaneda stated that the funding to be used for the compensation for the consultant agreements to be considered under Item 3 was coming from the combined Bayfront/Town Centre area and his residence is located in Town Centre 1; he therefore would be recusing himself from participation out of an abundance of caution. Director Castaneda then left the Council Chambers.

Interim City Manager Thomson provided his report for Item 4 at this time.

Director Desrochers commented that he was extremely pleased to see the Stradling Firm representing the CVRC legally, as they are one of the top three firms in the State with tremendous credentials.

Director Rooney inquired as to whether the San Diego Unified Port District had their own representation and consultants on board, and if there was duplication of services being provided. Chief Financial Officer/Finance Director Kachadoorian responded that the Port has a bond counsel and financial advisor on board, and have hired ERA to conduct a market analysis of the Bayfront Master Plan. Additionally, the City has their own independent bond counsel for legal representation, Suzanne Herald as financial advisor who is doing projections for tax increment purposes, as well as Economic Planning Systems who is doing an independent review of the report prepared by ERA to insure the numbers make sense.

Assistant Finance Director Davis stated for the record, that Vice Chair Rindone's property was not located within 500 feet of Town Centre 1. Vice Chair Rindone stated that with the clarification from staff, he would be participating on this item.

3. CONSIDERATION OF CONSULTANT AGREEMENTS FOR THE GAYLORD ENTERTAINMENT PROJECT

Harrell and Company, Economic and Planning Systems and the law firm of Stradling, Yocca, Carlson and Rauth, LLC have been instrumental in assisting the City in negotiating the deal points of the Gaylord Entertainment Letter of Intent that was signed on July 25, 2006. Additional appropriations are now necessary to continue the use of the consultants through the negotiating process with Gaylord.

Staff recommendation: That the Redevelopment Agency adopt the following resolutions:

ACTION: Director Lewis moved to adopt CVRC Resolution No. 2007-003, heading read, text waived.

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ACTION ITEMS (continued)

- 3a. CVRC RESOLUTION NO. 2007-003, RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION RECOMMENDING THE WAIVER OF THE FORMAL CONSULTANT SELECTION PROCESS AND THE APPROVAL OF THE FIRST AMENDMENT TO THE AGREEMENT WITH HARRELL & COMPANY ADVISORS, LLC., THE WAIVER OF THE FORMAL CONSULTANT SELECTION PROCESS AND THE APPROVAL OF THE SECOND AMENDMENT TO THE AGREEMENT WITH ECONOMIC AND PLANNING SYSTEMS, INC., AND THE WAIVER OF THE FORMAL CONSULTANT SELECTION PROCESS AND THE APPROVAL OF THE FIRST AMENDMENT TO THE AGREEMENT WITH STRADLING, YOCCA, CARLSON & RAUTH, AND RECOMMENDING THE APPROPRIATION OF THE NECESSARY FUNDS

Director Rooney seconded the motion, and it carried 8-0-1, with Director Castaneda abstaining.

Staff recommendation: That the Redevelopment Agency adopt the following resolutions:

ACTION: Agency Member McCann moved to adopt RDA Resolution Nos. 2007-1967, 2007-1968, and 2007-1969, headings read, texts waived.

- 3b. RDA RESOLUTION NO. 2007-1967, RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA WAIVING THE FORMAL CONSULTANT SELECTION PROCESS AND APPROVING THE FIRST AMENDMENT TO THE AGREEMENT WITH HARRELL & COMPANY ADVISORS, LLC. FOR FINANCIAL CONSULTING SERVICES, AUTHORIZING THE CHAIR TO EXECUTE THE FIRST AMENDMENT, AND APPROPRIATING THE NECESSARY FUNDS
- 3c. RDA RESOLUTION NO. 2007-1968, RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA WAIVING THE FORMAL CONSULTANT SELECTION PROCESS AND APPROVING THE SECOND AMENDMENT TO THE AGREEMENT WITH ECONOMIC AND PLANNING SYSTEMS, INC. AS ECONOMIC AND FINANCIAL ADVISOR FOR THE BAYFRONT MASTER PLAN, AUTHORIZING THE CHAIR TO EXECUTE THE SECOND AMENDMENT, AND APPROPRIATING THE NECESSARY FUNDS

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ACTION ITEMS (continued)

- 3d. RDA RESOLUTION NO. 2007-1969, RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA WAIVING THE FORMAL CONSULTANT SELECTION PROCESS AND APPROVING THE FIRST AMENDMENT TO THE AGREEMENT WITH STRADLING, YOCCA, CARLSON & RAUTH FOR LEGAL SERVICES, AUTHORIZING THE CHAIR TO EXECUTE THE FIRST AMENDMENT, AND APPROPRIATING THE NECESSARY FUNDS

Agency Member Ramirez seconded the motion, and it carried 4-0-1, with Agency Member Castaneda abstaining.

Item 4 was heard previously

4. CHIEF EXECUTIVE OFFICER'S REPORTS

Interim Executive Director Thomson announced that next Thursday in the Council Chambers, Gaylord Entertainment would be presenting their concept plan for their proposed Hotel and Convention Center on the Chula Vista Bayfront. Two presentations will be held, one from 3:30 p.m. to 5:30 p.m., and the second from 6:00 p.m. to 8:00 p.m. The format will be a Citizen Advisory Committee Meeting/Public Workshop and everyone is welcome to attend. The meeting will also be available on the City website via streaming video for those who are unable to attend.

5. CHAIRWOMAN'S REPORTS

There was none.

6. DIRECTORS' COMMENTS

Director/Agency Member Ramirez stated that during his questioning at the last CVRC meeting, he did not intend to interrogate or make anyone feel unwelcome or unappreciated, that he fully recognized the contribution that the experts who are not City residents are making to the Chula Vista Redevelopment Corporation Board, and he looked forward to future dialogues.

ADJOURNMENT

At 6:15 Chair Cox adjourned meeting to the next Regular Meeting on March 22, 2007, at 6:00 p.m. in the Council Chambers.

Ann Hix, Secretary

DATE: March 22, 2007

TO: Honorable Mayor and City Council
CVRC Board of Directors
Redevelopment Agency Board of Directors

VIA: Jim Thomson, Interim City Manager/CEO *JT*

FROM: Ann Hix, Acting Director of Community Development *AH*

SUBJECT: Council Subcommittee Report on the CVRC's Structure and Functions

On December 19, 2006, the City Council formed a subcommittee, consisting of Mayor Cox and Councilmember Rindone, to revisit and evaluate the structure of the CVRC. Attached is the Subcommittee's Report to the City Council which provides an in-depth discussion of the CVRC's purpose and role in redevelopment, and makes ten recommendations for structural and operational modifications to the CVRC.

COUNCIL SUBCOMMITTEE REPORT: CHULA VISTA REDEVELOPMENT CORPORATION
RECOMMENDATIONS

The Council Subcommittee wishes to review in this report what a non-profit redevelopment corporation does, and seeks to make a compelling set of recommendations that summarize how modifications to the CVRC Board of Directors are desirable.

When the CVRC was initially implemented, four reasons comprised the essential themes of the proposed structure. They are critical elements in the restructured CVRC:

1. Streamline the development process;
2. Provide expert help as the process goes forward, with elected officials ultimately responsible, according to State law;
3. Encourage purposeful roles for the RAC, CVRC, City Council, and Redevelopment Agency;
4. Increase the types of input communicated to the Council (both direct community input via the RAC membership and professional assessment for project review via the CVRC professional experts).

The CVRC is a non-profit redevelopment corporation. As such, it is a separate entity advising the City Council in the City Council's role as the Redevelopment Agency. It is a supporting organization to the Agency on matters related to planning in redevelopment areas. By appointing capable, experienced professionals as Directors, the City should receive consistent business advice that would be costly when charged by consultants. The advantage of CVRC Board of Directors lies in the Directors providing essential guidance and recommendations to elected officials in the areas of business, real estate, finance, real estate development, architecture, land planning, and real estate law. Given their professional preparation, CVRC Directors can analyze issues that come before the CVRC and make informed recommendations. This is *not* a duplication of effort—it is a focused effort.

The Subcommittee was attentive to comments from the public and to written and oral comments made by its colleagues on the Council. It concurs with Councilmember Ramirez' January 8, 2007, written comments that we share a vision for a vibrant redevelopment of West Chula Vista, and that changes to the composition and structure of the CVRC could increase the CVRC Board's independence, depoliticize the process by removing elected officials from the membership, and improve efficiency.

Recommendation 1

The Subcommittee recommends that the CVRC continue to advise the City Council in the Council's role as the Redevelopment Agency.

In its current form, the CVRC Board of Directors includes five City Directors (Mayor and Councilmembers) and four Independent Directors (professionally prepared experts within specific fields). The current CVRC Board of Directors can be made more effective by replacing the City Directors (i.e., City Council) with an additional member with the professional preparation described above (i.e., business, real estate, finance, real estate development, architecture, land planning, and real estate law). The restructured Board of Directors, after an initial period of approximately six months, may recommend to the City Council increasing the number of Directors to seven or leaving the number at five, until such time as the CVRC Board of Directors seeks to reconsider the Board's composition. While the Subcommittee is deeply appreciative of the contributions made by the Independent Directors, the Subcommittee recognizes through public comment that encouraging participation from residents of Chula Vista is desirable.

Recommendation 2

The Subcommittee recommends that Councilmembers be removed as CVRC Directors, and that an additional Director be selected by the City Council, with such Director having professional preparation in real estate finance or real estate investment *and* be a Chula Vista resident.

The Subcommittee proposes that the City Manager remain as Executive Director of the Agency, that the City Manager's designee act as the Chief Executive Officer of the CVRC.

Recommendation 3

The Subcommittee recommends that the consultant search for a new Chief Executive Officer be postponed indefinitely. The Subcommittee recommends that the person filling this position (i.e., the City Manager's designee) be required publicly to report expenditures incurred using redevelopment money, for the overriding purpose of indicating that redevelopment funds were used for redevelopment rather than for general city services.

The consistent and diligent focus on planning and implementing redevelopment activities is a clear and distinct indicator to businesses, investors, and those who would develop in Chula Vista that the City is interested in planning and implementing redevelopment in a business-like manner. Focusing and streamlining the process is the antidote to an additional layer of bureaucracy, which is why the CVRC will be ultimately effective when redevelopment planning and implementation activities are placed in a single department, such as the City's Community Development Department, and if general fund monies are separated from redevelopment monies. This is efficient—*not* more expensive.

Recommendation 4

The Subcommittee recommends that CVRC staff can be some or all of the staff of the existing Community Development Department.

The Subcommittee considered the proposal that the Redevelopment Advisory Committee (RAC) and CVRC Board of Directors be combined. Both the RAC and the CVRC Board of Directors play important roles. The RAC can provide community input and perspective. The CVRC Directors can provide professional advice that can facilitate and encourage the economic benefits of redevelopment. Development is a business deal. The CVRC Directors must balance the business deal with the assessment made through community input offered by the Redevelopment Advisory Committee. The CVRC Directors listen to the RAC and the developer, weighing the evidence forwarding an advisory position.

Recommendation to retain the RAC as a community advisory body to the CVRC retains one of the essential reasons for establishing the CVRC, that is streamlining the process by three boards (RCC, DRC, and PC) appointed by the Council to one board (RAC) selected by the community. This both streamlines the process and at the same time increases direct influence by the community/citizens which are not directly selected by the Council.

Recommendation 5

The Subcommittee recommends that the current role of the RAC as one that provides advice to the CVRC Directors and to the Redevelopment Agency be retained.

California Redevelopment Law provides that the Mayor and City Council must retain the authority on major decisions in the redevelopment process. The timeline remaining for redevelopment in western Chula Vista's downtown Town Centre I redevelopment area is eleven years. Redevelopment projects brought on board during between now and 2018 will locally keep 100% of the tax increment—the gain in property tax when the value of the new project exceeds the value of the previous project. Of that, the Redevelopment Agency receives about 60%, against which it can issue debt. A financially successful Redevelopment Agency is an agency in debt. It's hard to believe, but it is true—redevelopment exists in order to incur debt. If the Redevelopment Agency incurs that debt, the Agency can collect tax increment for an extra ten years (e.g., until 2028) in order to pay off the debt. Once that time has passed, the City reverts to receiving only 13 to 17 cents of each dollar of property tax.

Recommendation 6

The Subcommittee believes that it is the City Council's fiduciary responsibility to pursue redevelopment projects sooner rather than later, and that a restructured CVRC Board of Directors will help accomplish this goal.

A restructured CVRC Board of Directors, with its focus on redevelopment, can and must weigh the perspectives of project developers and the community. A well-functioning CVRC can shape a redevelopment effort economically and socially. It can bring responsibility and professional evaluation to projects that benefit the community.

Recommendation 7

The Subcommittee recommends that a formal, independent evaluation of the achievements of the CVRC, RAC, and redevelopment-task staff be initiated three years from the date of the newly restructured CVRC, with the purpose of defining necessary next steps for a non-profit redevelopment corporation structure and in order to continue conducting redevelopment business via the CVRC.

The favorable market conditions that existed four years ago are gone. Now, more than before, private sector advice is needed when important planning decisions are considered. Now, more than before, focused staff time and effort must be placed on redevelopment implementation. Focused attention and resources on redevelopment, a streamlined permitting process, a good professional staff to analyze and guide projects, and a good market are pre-requisites to redevelopment success.

The Subcommittee requests that the CVRC discuss these recommendations and that the City Council take action upon them.

1

No Change:
City Council
Advised by
CVRC & RAC

3

Restructure
CVRC Board;
Retain
Redevelopment
Advisory
Committee

Remove City Directors
(City Council)

Increase # of
Independent Directors by
one member
(Chula Vista resident)
with expertise in
Real Estate Investment
or

Real Estate Finance

City Manager
or City Manager's designee
as CVRC Executive Director
(no new expense)

Formal, Independent
Evaluation
three years from
restructuring

2

Abolish CVRC:

Revert to
City Council as the
Redevelopment Agency
(RDA)

Advised by
Design Review,
Resource Conservation
and
Planning Commissions

CVRC RESOLUTION NO. 2007-

RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION RECOMMENDING THAT THE REDEVELOPMENT AGENCY AND CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVE THE REPORT AND RECOMMENDATIONS OF THE COUNCIL SUBCOMMITTEE ON CVRC STRUCTURE AND OPERATIONS AND DIRECT STAFF TO PREPARE THE NECESSARY AMENDMENTS TO THE CVRC'S LEGAL AND OPERATING DOCUMENTS

WHEREAS, on May 24, 2005, the City Council and Redevelopment Agency of the City of Chula Vista jointly adopted Resolution Nos. 2005-175 and 2005-1911, respectively, approving and adopting legal and operating documents for the formation of the Chula Vista Redevelopment Corporation ("CVRC") as a 501(c)(3) nonprofit, public benefit corporation; and

WHEREAS, the legal and operating documents adopted for the CVRC included Bylaws of the Corporation that set forth, among other things, the structure, composition, and operations of the CVRC; and

WHEREAS, on December 19, 2006, the City Council formed a subcommittee, consisting of the Mayor and Deputy Mayor, to review and evaluate the structure of the CVRC; and

WHEREAS, the Council Subcommittee on CVRC Structure and Operations has prepared a full report for consideration by the CVRC, Redevelopment Agency, and City Council containing recommendations for structural modifications to the CVRC; and

WHEREAS, the Council Subcommittee's recommendations are:

1. The Subcommittee recommends that the CVRC continue to advise the City Council in the Council's role as the Redevelopment Agency.
2. The Subcommittee recommends that Councilmembers be removed as CVRC Directors, and that an additional Director be selected by the City Council, with such Director having professional preparation in real estate finance or real estate investment *and* be a Chula Vista resident.
3. The Subcommittee recommends that the City Manager remain as the Executive Director of the Redevelopment Agency and that a designee of the City Manager be the Chief Executive Officer of the CVRC. The Subcommittee further recommends that the consultant search for a Chief Executive Officer be postponed indefinitely. The Subcommittee recommends that the person filling this position (i.e., the City Manager's designee) be required publicly to report expenditures incurred using redevelopment money, for the overriding purpose of indicating that redevelopment funds were used for redevelopment rather than for general city services.

4. The Subcommittee recommends that CVRC staff can be some or all of the staff of the existing Community Development Department.
5. The Subcommittee recommends that the current role of the Redevelopment Advisory Committee (RAC) as one that provides advice to the CVRC Directors and to the Redevelopment Agency be retained.
6. The Subcommittee believes that it is the City Council's fiduciary responsibility to pursue redevelopment projects sooner rather than later, and that a restructured CVRC Board of Directors will help accomplish this goal.
7. The Subcommittee recommends that a formal, independent evaluation of the achievements of the CVRC, RAC, and redevelopment-tasked staff be initiated three years from the date of the newly restructured CVRC, with the purpose of defining necessary next steps for a non-profit redevelopment corporation structure and in order to continue conducting redevelopment business via the CVRC; and

WHEREAS, in accordance with Section 15060(c)(3) of the State CEQA Guidelines, approval of the Council Subcommittee's Report and Recommendations is not a project as defined in Section 15378, and is therefore not subject to CEQA.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Chula Vista Redevelopment Corporation do hereby recommend that the City Council and Redevelopment Agency of the City of Chula Vista:

1. Approve the report and recommendations of the Council Subcommittee on CVRC Structure and Operations, as described herein.
2. Direct staff to prepare for consideration by the City Council and Redevelopment Agency the necessary amendments to the CVRC's legal and operating documents to implement the Subcommittee's Recommendations.

Presented by:

Approved as to form by:

Jim Thomson
Interim City Manager and Executive Director

Ann Moore
City Attorney and Agency Counsel

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COUNCIL RESOLUTION NO. 2007-
RDA RESOLUTION NO. 2007-

JOINT RESOLUTION OF THE CITY COUNCIL AND THE
REDEVELOPMENT AGENCY OF THE CITY OF CHULA
VISTA APPROVING THE REPORT AND
RECOMMENDATIONS OF THE COUNCIL SUBCOMMITTEE
ON CVRC STRUCTURE AND OPERATIONS AND DIRECTING
STAFF TO PREPARE THE NECESSARY AMENDMENTS TO
THE CVRC'S LEGAL AND OPERATING DOCUMENTS

WHEREAS, on May 24, 2005, the City Council and Redevelopment Agency of the City of Chula Vista jointly adopted Resolution Nos. 2005-175 and 2005-1911, respectively, approving and adopting legal and operating documents for the formation of the Chula Vista Redevelopment Corporation ("CVRC") as a 501(c)(3) nonprofit, public benefit corporation; and

WHEREAS, the legal and operating documents adopted for the CVRC included Bylaws of the Corporation that set forth, among other things, the structure, composition, and operations of the CVRC; and

WHEREAS, on December 19, 2006, the City Council formed a subcommittee, consisting of the Mayor and Deputy Mayor, to review and evaluate the structure of the CVRC; and

WHEREAS, the Council Subcommittee on CVRC Structure and Operations has prepared a full report for consideration by the CVRC, Redevelopment Agency, and City Council containing recommendations for structural modifications to the CVRC; and

WHEREAS, the Council Subcommittee's recommendations are:

1. The Subcommittee recommends that the CVRC continue to advise the City Council in the Council's role as the Redevelopment Agency.
2. The Subcommittee recommends that Councilmembers be removed as CVRC Directors, and that an additional Director be selected by the City Council, with such Director having professional preparation in real estate finance or real estate investment *and* be a Chula Vista resident.
3. The Subcommittee recommends that the City Manager remain as the Executive Director of the Redevelopment Agency and that a designee of the City Manager be the Chief Executive Officer of the CVRC. The Subcommittee further recommends that the consultant search for a Chief Executive Officer be postponed indefinitely. The Subcommittee recommends that the person filling this position (i.e., the City Manager's designee) be required publicly to report expenditures incurred using redevelopment money, for the overriding purpose of indicating that redevelopment funds were used for redevelopment rather than for general city services.

4. The Subcommittee recommends that CVRC staff can be some or all of the staff of the existing Community Development Department.
5. The Subcommittee recommends that the current role of the Redevelopment Advisory Committee (RAC) as one that provides advice to the CVRC Directors and to the Redevelopment Agency be retained.
6. The Subcommittee believes that it is the City Council's fiduciary responsibility to pursue redevelopment projects sooner rather than later, and that a restructured CVRC Board of Directors will help accomplish this goal.
7. The Subcommittee recommends that a formal, independent evaluation of the achievements of the CVRC, RAC, and redevelopment-tasked staff be initiated three years from the date of the newly restructured CVRC, with the purpose of defining necessary next steps for a non-profit redevelopment corporation structure and in order to continue conducting redevelopment business via the CVRC; and

WHEREAS, on March 22, 2007, the CVRC Board of Directors reviewed and considered the Council Subcommittee's Report and Recommendations and adopted Resolution No. 2007-_____ recommending that the Redevelopment Agency and City Council approve the Subcommittee's Report and Recommendations, and direct staff to prepare the necessary amendments to the CVRC's legal and operating documents to implement the Subcommittee's Recommendations; and

WHEREAS, in accordance with Section 15060(c)(3) of the State CEQA Guidelines, approval of the Council Subcommittee's Report and Recommendations is not a project as defined in Section 15378, and is therefore not subject to CEQA.

NOW, THEREFORE, BE IT RESOLVED that the City Council and Redevelopment Agency of the City of Chula Vista do hereby:

1. Approve the report and recommendations of the Council Subcommittee on CVRC Structure and Operations, as described herein.
2. Direct staff to prepare for consideration by the City Council and Redevelopment Agency the necessary amendments to the CVRC's legal and operating documents to implement the Subcommittee's Recommendations.

Presented by:

Approved as to form by:

Jim Thomson
Interim City Manager and Executive Director

Ann Moore
City Attorney and Agency Counsel

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